

Representatives of the FCC:

Allow the merger of Sirius and XM Satellite Radio.

I have three points that I would like to make, to add to the debate.

- (a) Satellite Radio would not be viable if Traditional Radio and other available audio listening methods met the needs of listeners.
- (b) Satellite Radio would serve listeners better under one company, instead of two.
- (c) The overall market for consumable audio will be made stronger by the Sirius/XM merger.

After speaking my piece, I will offer a few suggestions that I think will help ensure that the deregulation of satellite radio ensures that the customers benefit for the long term.

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- (a) Satellite Radio would not be viable if Traditional Radio and other available audio listening methods met the needs of listeners.

I am a subscriber of Sirius. As a citizen of suburban America, living in Northern New Jersey, I have a daily commute that places me in my car about 60 minutes everyday. The AM/FM radio channels did not meet my needs (I like to listen to music on my morning drive, and this is not possible with the type of music I like on AM/FM radio). Sirius meets my needs, and I am happy to pay them for the service they give.

I would consider myself to be a cheapskate, but the extra options from satellite radio *really* is worth it to me, and to approximately 10 million other listeners. While 200+ million Americans still prefer "the old fashioned way" for their radio... and that's fine.

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(b) Satellite Radio would serve listeners better under one company, instead of two.

I pay to fund the duopoly. I pay so Sirius can make deals with the NFL, while XM pays to make deals with MLB. I get less for my money because Sirius and XM compete against each other. The radio spectrum has the ability to provide live broadcasts of events that I want to listen to, but I'm restricted by exclusivity deals.

With one satellite radio company, I am excited to be able to sign up for NFL and MLB without paying extra for Nascar, NBA, Martha Stewart or other programming that adds no value for me. The a la carte programming would certainly be cheaper for me than paying for both Sirius and XM. Also, I don't have room on my dashboard to support two different brands of satellite radio.

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(c) The overall market for consumable audio will be made stronger by the Sirius/XM merger.

I am confident that a unified satellite radio company will INCREASE OPTIONS in the general market for consumable audio. Traditional radio will improve. iTunes and podcasts will continue to reshape the market that formerly sold audio cassettes and CDs.

But I don't like traditional radio because they are ad supported, and I don't see them ever shifting that market position (that's how they make their money!). And I don't like iTunes or podcasts because I don't like spending the time programming my iPod.

I see there being three audio markets in the future:

- (a) subscriber supported broadcast
- (b) subscriber owned playback
- (c) advertisement supported broadcast

These are like three legs of a tripod. Make one better, and the rest

have to improve to continue to compete. These markets may seem to appeal to different customers:

- (a) customers who want to pay for premium broadcast audio
- (b) customers who want to spend time controlling audio
- (c) customers who want free broadcast audio

But, these markets overlap. As a consumer, I actually fit in all three categories. I listen to Sirius in my car. I listen to AM/FM on my alarm to get out of bed every morning. I listen to an iPod while I go running in the gym or in a park.

As a consumer, I can choose whether what kind of sound system I have in my bedroom. I can choose the type of home audio system that I buy for my living room. I can choose what kind of portable device I listen to outside of my home, and what kind of system is suitable for my car.

I have made all these choices, and being forced to choose to give my \$12.95 a month to Sirius or XM does not benefit me. On the other hand, choosing if I want premium broadcast music for \$9.95 and the following for an extra dollar is a benefit to me:

- (a) MLB
- (b) NFL
- (c) Howard Stern
- (d) Comedy Channels
- (e) Et cetera

Right now, I can't subscribe to that pricing model, but with a merged Satellite Radio company, I could.

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My suggestions:

Regulate a minimum number of music channels and the maximum price for the minimum number of channels.

Regulate a minimum number of Public channels (National Public Radio, public school broadcast, or government broadcast).

Regulate standards for mature broadcast (currently Sirius requires "opt-in" for Playboy radio, and XM displays an "M" on some channels). This regulation would give parents a way to prevent their children from hearing the objectionable channels on their individual radios. This regulation should NOT attempt to restrict what can be broadcast.

Regulate that Satellite Radio cannot hold exclusive broadcast rights for programming that they do not explicitly produce.

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Thank you for your consideration,

Robert Van Dyk